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South-South cooperation

Report on the implementation of the third cooperation framework for South-South cooperation (2005-2007)

Report of the Administrator

Summary

The present report contains an assessment of the progress made by the Special Unit for South-South Cooperation in the implementation of the third cooperation framework for South-South cooperation (2005-2007) up until February 2007.

Elements of a decision

The Executive Board may wish to:

(a) Take note of the report and encourage further efforts to mainstream South-South cooperation in the United Nations Development Programme (UNDP) in the course of implementing the UNDP Strategic Plan, 2008-2011; and

(b) Consider reassessing the human, financial and institutional support to South-South cooperation by UNDP in light of the growing importance of such cooperation in international cooperation for development.

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I. Introduction

1. A number of developing countries have made great progress towards achieving the Millennium Development Goals (MDGs), gaining from the forces of globalization – and, indeed, have become major providers of development assistance. Others, however, have experienced disappointing backward trends, particularly the least developed countries (LDCs) in Africa. The major economies of the South are now recognized as engines of growth in trade and investment, whereas many LDCs have not seen tangible development benefits based on their comparative advantage. Income disparities within and among countries are growing, and in many nations the MDGs are unlikely to be met.

2. The third cooperation framework for South-South cooperation (2005-2007) was formulated to focus the work of the Special Unit for South-South Cooperation to address these imbalances. During 2005 and 2006, opportunities arose for concrete South-South cooperation involving the major economies of the South as well as countries with slower growth. The challenge is to transform the new dynamism of the South into sustainable South-South cooperation that will raise living standards across the South. There is room for optimism: countries have been proactive in collaborating to pool resources, share experiences and learn from one another on a South-South basis, creating a wealth of opportunities. The importance of South-South cooperation was also emphasized by world leaders in the 2005 World Summit Outcome Document (A/60/1).

3. In implementing the third cooperation framework, the Special Unit for South-South Cooperation has benefited from a number of new models of development policy, drawing on the strengths of the public and private sectors as well as civil society organizations. South-South trade and investment arrangements bring technology, skills, know-how and business models that may be more suitable for developing-country needs than those drawn from the developed world. The implementation of the third cooperation framework reflects new economic arrangements and partnerships going beyond governments. In tackling many of the challenges, the Special Unit is playing an important catalytic role. Through the promotion and nurturing of increased Southern capacity and collaboration, new opportunities arise for countries to work collectively, to share expertise, to form public-private partnerships and to pool resources towards meeting the MDGs.

4. The present report is based on an internal evaluation of the portfolio of initiatives being undertaken by the Special Unit for South-South Cooperation. While the lessons learned during 2005 and 2006 have resulted in the modification of some programmes, implementation has generally followed the cooperation framework endorsed by the Executive Board in January 2005.[1]

II. Programme objectives and areas of intervention

5. The third cooperation framework for South-South cooperation (2005-2007) responds to the emerging trends and challenges pursued by the Special Unit for South-South Cooperation through the following objectives:

[1] Third cooperation framework for South-South cooperation (2005-2007). Report to the Executive Board of UNDP and the United Nations Population Fund (UNFPA), DP/CF/SSC/3/Rev.1, New York, 12 January 2005.

(a) Support developing countries in addressing issues of common concern among themselves and in multilateral settings so as to accelerate development through South-South approaches;

(b) Place greater emphasis on establishing or strengthening self-sustaining mechanisms and platforms rather than supporting ad hoc forums and conferences; and

(c) Transform the Special Unit into a South-South knowledge management centre, complementing and linking with global knowledge systems of UNDP as well as those of other United Nations organizations, developing countries and donor organizations.

6. Three policy and operational support platforms form the main building blocks of the third cooperation framework. These are:

(a) A platform to support policy dialogue and follow-up to major intergovernmental conferences, with particular emphasis on mainstreaming South-South cooperation as a driver of development effectiveness;

(b) A platform to help create an enabling environment and public-private partnership mechanisms for sustained intra-South business collaboration and technology exchanges; and

(c) A platform to support a more robust information system for managing and sharing development knowledge throughout the South.

III. Specific achievements

7. This chapter elaborates on what has been achieved through activities undertaken to foster policy dialogue, public-private partnerships for private-sector development, and efforts to transform the Special Unit for South-South Cooperation into a knowledge management centre for South-South cooperation. These three platforms are aimed at enabling the Special Unit and its partners to provide valuable services to a wide range of clients in the South in their efforts to meet the MDGs. They also point the way towards the fourth cooperation framework.

8. What has been achieved during the first two years of the third cooperation framework reflects the evolving vision of what South-South cooperation should be. Most of the individual projects and activities carried out by the Special Unit contribute to that holistic vision; activities that lie outside the vision are slowly being phased out. In addition, the mobilization of resources through triangular funding arrangements is gradually being supplemented by financial contributions from developing countries themselves.

9. Support to the policy process is evolving into a high-level forum that will provide the arena for focused policy dialogue among the leaders in the South, including heads of government, corporate executives and social entrepreneurs. It will not be led by the United Nations; rather, it should become a self-sustaining autonomous structure that attracts leaders from all walks of life.

10. Business-to-business networks and public-private partnerships are being developed through mechanisms such as the South-South Global Assets and Technology Exchange System (South-South GATE System) and exchanges between

the Asian Network for Technical Information and Extension (Technonet Asia) and the Africa-Asia SME network (Technonet Africa).

11. Finally, knowledge sharing and exchanges of experience have benefited from the new version of the Web of Information for Development (WIDE) network. The expansion of the network of South-South focal points to include the private sector and civil society will improve communication and knowledge sharing among a broader group of stakeholders.

Consolidation of South-South approaches to development

12. The initiatives described below laid the foundation and the building blocks of the three global South-South cooperation platforms identified in the third cooperation framework. The objective was to foster an enabling environment for all partners interested in supporting or conducting South-South and triangular initiatives. In organizing its work around the three platforms, the Special Unit for South-South Cooperation sought to give coherence and a systematic design to South-South cooperation in the following areas: developing a broad-based policy framework; establishing partnerships and creating collaborative arrangements with the private sector; and building broad knowledge networks. The platforms consolidate the various elements of the work of the Special Unit into three interrelated, mutually supportive focus areas.

A. Platform one: policy development and research, dialogue and coalition-building – three enablers

Policy development and research to advance South-South cooperation as a development agenda

13. Under the third cooperation framework, the Special Unit for South-South Cooperation is revising the New Directions Strategy for Technical Cooperation among Developing Countries (TCDC) of 1995 to provide a new framework that will guide Member States and United Nations organizations in fostering South-South cooperation for the next five to 10 years. The revision, which was requested by the fourteenth session of the High-level Committee on South-South Cooperation in 2005, will build on the major changes in the nature of South-South cooperation over the last 12 years.

14. The Special Unit is producing an important tool for policy development in the new, expanded *South Report*, which is an analytical compilation of the work in South-South cooperation of 10 United Nations organizations. It is expected that this report will increase coherence among the South-South initiatives supported by the United Nation system.

15. As the secretariat to the High-level Committee on South-South Cooperation, the Special Unit has continued to conduct research to inform discussions of the High-level Committee and other South-South forums. Reports on the implementation of the Buenos Aires Plan of Action on TCDC and the New Directions Strategy for TCDC have been prepared for the fourteen and fifteenth sessions of the High-level Committee in 2005 and 2007, respectively. Moreover, the Special Unit prepared a report on the implementation of the third cooperation framework in 2006, followed by the present report, which contains lessons to be considered in formulating the fourth cooperation framework for South-South cooperation (2008-2010).

16. A policy-oriented publication of the Special Unit, the journal *Cooperation South*, was produced through 2005. The 2005 issue highlighted the value and role of

South-South cooperation in efforts to meet the MDGs on the basis of discussions and articles prepared by a team of experts. The publications of the Special Unit are distributed to all developing countries in hard copy and are available online at http://www.undp.org/ssc.

17. As South-South relations become increasingly complex with the involvement of new actors in government, civil society and the private sector, the Special Unit for South-South Cooperation has strengthened its work in research and analysis. In 2006, it produced needs assessment studies for South-South cooperation in the 15 countries of the Economic Community of West African States (ECOWAS), five members of the expanded East African Community (EAC), and 16 members of the Caribbean Community (CARICOM). Those studies shed light on the nature and scope of South-South activities resulting from the implementation of regional treaties in Africa and the Caribbean. They also explain in greater depth the South-South initiatives that address challenges faced by groups of countries.

Systematized support to policy dialogue processes

18. In 2006, the Special Unit organized a number of South-South policy dialogue forums relating to remittances, the creative economy and technology transfer. In February 2006, for example, it cosponsored the Ministerial Conference of Least Developed Countries on the Development Impact of Remittances. The Conference issued a Ministerial Declaration urging both countries recipients of migrants and migrants' countries of origin to create a more supportive environment that would include safe, cost-effective mechanisms for the transfer of remittances. The Heads of delegation of the LDCs requested that the International Organization for Migration and other organizations create an international migrant remittances observatory for LDCs, which would document and disseminate information on remittance flows, best practices and related issues.

19. The first UNDP roundtable on remittances was organized in New York with the UNDP Bureau for Development Policy (BDP) and the Rockefeller Foundation as an input to the 2006 high-level dialogue on migration and remittances (held in New York, September 2006). Partnerships on remittances were established with the United Nations Children's Fund (UNICEF), BDP and regional development banks.

20. To assist developing countries in negotiating effective South-South approaches to development, the Special Unit for South-South Cooperation has provided support to various policy dialogue processes of the Group of 77 (G-77) to address the development challenges of the LDCs, landlocked developing countries (LLDCs) and small island developing States (SIDS). Substantive support was provided to the follow-up and implementation of the relevant decisions by the Second South Summit, including the formulation of a development platform for the South.

21. The Special Unit also provided support to the meeting of the Ministers of Science and Technology of the Member States of the G-77 held in Rio de Janeiro, Brazil in September 2006. At this meeting, it was decided that the Third World Network of Scientific Organizations (TWNSO), based in Trieste, Italy, would be transformed into the Consortium on Science, Technology and Innovation for the South (COSTIS). The Special Unit and the United Nations Educational, Scientific and Cultural Organization (UNESCO) will continue to support the Consortium.

22. Ultimately, this work of the Special Unit will facilitate the creation of a 'global South development forum', which will bring together governments, the private sector and civil society from Southern countries. At the initial meeting of the

advisory group on the forum in October 2006, the group developed the concept of the forum and discussed its structure and scope.

Coalition-building to enhance the coherence and effectiveness of South-South cooperation

23. Also under platform one, the Special Unit for South-South Cooperation re-established the South-South focal point network to go beyond exclusively government representatives. In 2006, the network for the 15 members of ECOWAS was upgraded, and in 2007, the network is to be extended to EAC and CARICOM. The focal point network is connected by a monthly e-newsletter. Launched in mid-2006, the newsletter includes information on new technologies and business solutions, meetings and innovations designed to address development challenges in the South. It is accessible at http://southsouthnews.wordpress.com. The Special Unit increased its outreach by posting staff in the UNDP regional centres in Bangkok and Johannesburg.

24. In efforts to foster widespread awareness of the value of South-South approaches to development, the Special Unit planned and hosted the second and third annual United Nations Day for South-South Cooperation at headquarters, on 19 December 2005 and 19 December 2006, respectively. The 2005 event highlighted the importance of creative industries as an innovative driver for development. The celebration drew participants from all major United Nations partners and provided an excellent networking opportunity.

25. The Special Unit for South-South Cooperation also co-organized a meeting between Southern providers of development assistance and the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD/DAC) in January 2006. Collaboration with OECD/DAC and the World Bank is expected to provide an opportunity for the Southern providers of development assistance to create their own version of the DAC, a 'Southern DAC'.

26. In sum, under platform one, the Special Unit made strides towards mainstreaming South-South cooperation throughout the United Nations system by involving United Nations organizations in strategic initiatives such as the remittance programme, the creative industries initiative, and promotion of partnerships with science and technology organizations. It also initiated a process leading to a 'global South development forum', where Southern leaders of government, industry and civil society will implement South-South cooperation directly.

B. Platform two: creation of an enabling environment and mechanisms for expanded South-South business cooperation and technology exchanges through three enablers

Promotion of networking among small and medium-sized enterprises (SMEs) in Africa, the Arab States, Latin America and the Caribbean, and the Commonwealth of Independent States

27. The Special Unit for South-South Cooperation contributed substantially to promoting the development of a network of SMEs in Africa and Asia. The concept of the Africa-Asia SME network was to link a network of 10 member organizations in seven African countries (Technonet Africa) with Technonet Asia, a network of organizations that has been involved in SME promotion in Asia for the past 30 years. The participating organizations in Technonet Africa are based in Cameroon, Ghana, Mozambique, Nigeria, South Africa, Uganda and the United Republic of Tanzania. The organizations in the Asia network are mainly facilities

that provide technical support to SMEs through research and development, quality control and extension services.

28. The first significant activity of the project was exposure of African policy-makers to Asian experiences in SME management. Ministers or deputy ministers responsible for SME development and participating organizations of the seven countries of Technonet Africa visited Malaysia, Thailand and Viet Nam in April 2005 to observe SME-supporting facilities in the three countries. They were impressed by the proactive support of the Asian governments to SME development, reflected in comprehensive policies and legal frameworks, financing mechanisms and extension services.

29. Several follow-up activities were undertaken in 2006. A seminar on how to start and manage SME banks was held in Cameroon (January), with senior managers from the SME Bank in Thailand sharing their experiences in setting up such a bank. Fifty participants from Technonet Africa countries attended, mainly representatives of ministries of finance, trade and industry, central banks and bank licensing organizations. The workshop demonstrated to the African participants how SME banks could be a catalyst to development, and the importance of legal and regulatory frameworks governing the banks. Participants concluded that each country needed to improve the policy environment for SME finance.

30. In addition, training of trainers in entrepreneurship development was conducted in Ghana in March and April 2006. Four Asian consultants recommended by Technonet Asia provided training to 36 participants from member countries. The training, which was designed to nurture an entrepreneurship culture in Africa, covered such topics as market research, marketing, business plans and financial analysis. The practical nature of the training and the high quality of the trainers were much appreciated by the participants.

31. In November 2006, a workshop on SME policy and institutions was conducted in Malaysia and Thailand. Government officials from the seven African countries participated in the 17-day workshop. The Malaysian Investment Development Authority and the Office of Small and Medium Enterprises Promotion of Thailand made significant contributions in organizing the workshop, which provided guidelines on policy and institutional frameworks. The Japan International Cooperation Agency (JICA) and the Governments of Malaysia and Thailand made financial contributions to the workshop through a cost-sharing arrangement.

32. One of the biggest constraints for SMEs in Africa is to access finance for their enterprises. After this constraint had been identified, Technonet Africa, in collaboration with the Government of the United Republic of Tanzania, organized a symposium in Dar es Salaam in February 2007. The participants developed joint policy recommendations for African governments to expand opportunities for African SMEs to access finance. They shares best practices and discussed specific national action plans.

33. The objective of all these initiatives is to establish a global 'Technonet' to support the creation and development of SMEs across the South. Technonet Asia has been substantially supporting the activities of Technonet Africa and has played a crucial role in promoting this Africa-Asia partnership. For Technonet Africa, a Governing Council comprising all participating organizations was formed, with five participating organizations selected as Executive Committee members. Both the Governing Council and the Executive Committee have held meetings and have established a constitution. The UNDP Regional Service Centre in Johannesburg has

agreed to host a small secretariat for Technonet Africa. Partners in this programme include the Governments of Japan, Malaysia, South Africa and Thailand and JICA.

34. Another project benefiting from an Africa-Asia network focused on credit analysis and development finance for managers of development finance institutions (DFIs) in Africa. Fifteen African executives from DFIs in nine select countries (Cameroon, Ethiopia, Ghana, Malawi, Mozambique, Nigeria, Uganda, United Republic of Tanzania and Zimbabwe) spent one week in Malaysia and one week in Thailand in July 2006. The programme was conducted by the Development Bank of Malaysia and the SME Bank of Thailand. It sought to provide an overview on the role of DFIs in SME development and the importance of credit analysis.

35. The training-of-trainers course, held in Malaysia in December 2006, followed the executive programme to provide practical training in credit analysis and risk management through a four-week programme for 20 professionals from the same countries. The participants are expected to provide in-house training for other technical staff in their own institutions. Funding earmarked for South-South cooperation is provided by the Japan Human Resources Development Fund, with in-kind contributions from governments.

36. One of the reasons for the success of both these programmes is that they were facilitated by representatives of successful public-private partnerships in the Asian countries, particularly Malaysia and Thailand. In those countries, the Government provides a positive environment for private enterprise and supports South-South exchanges. The quality of trainers from Malaysia and Thailand was very high.

37. Two other initiatives under platform two are (a) the development of integrated water resource management plans under an Arab water council, and (b) the creation of an Africa-Asia eco-partnership programme that promotes networking among cities to share lessons learned about improving the urban environment.

38. All the initiatives under this platform can eventually benefit from the implementation of the South-South GATE System, which will serve as an online resource with extensive information on Southern development solutions. The ultimate goal of the Special Unit for South-South Cooperation is to facilitate South-to-South transactions or transfers of knowledge and the adaptation of Southern development solutions. The mechanisms for implementing the South-South GATE System will be used by all interested partners, including through triangular arrangements.

Facilitation of business-to-business linkages

39. Following the achievements in linking Asia and Africa through the development and dissemination of new rice varieties, such as the New Rice for Africa (NERICA), the Special Unit for South-South Cooperation continued its support to the Africa Rice Centre (WARDA), with funding through the Japan Human Resources Development Fund for South-South Cooperation. The new phase of support to WARDA in strengthening research on and development of NERICA seeks to increase seed varieties and expand their dissemination to lowlands in West, Central and East Africa.

40. The Africa Rice Initiative was created as a mechanism for the dissemination of NERICA seeds. The Special Unit is supporting the initiative in a project to increase the sustainable supply of NERICA seed to rice farmers through the production of foundation and breeder seeds and development of capacity for seed production under the national extension services. The seven pilot countries are Benin, the

Gambia, Ghana, Guinea, Mali, Nigeria and Sierra Leone. Through an assessment study, the project will provide information on the impact of the rice varieties on food security, farmers' livelihoods and gender empowerment.

41. In 2006, 12 tons of foundation seeds of upland rice were produced and distributed to the pilot countries. Fifteen technicians from five countries attended a training course in seed production, with experts supplied by JICA. It is critical to build capacity among local farmers to increase seed production, since WARDA cannot be expected to produce all the foundation seeds each year. Funding is provided by the Japan Human Resources Development Fund, with matching funds from JICA.

42. Another project that highlighted good practices in food production and agro-industries based on South-South technology exchanges was executed by the Coalition for Agrarian Reform and Rural Development – an Asian non-governmental organization (NGO) – and the Asia-Japan Partnership Network for Poverty Reduction. The project identified six sites (two each in India, Indonesia and the Philippines) for the promotion of successful technologies in diversified farming systems, use of organic fertilizers and bio-pesticides, organic rice and vegetable production. Funding was made available through the Japan Human Resources Development Fund. The final report, *Enhancing capacities on sustainable agriculture for poverty reduction*, was issued in 2005, and, in 2006, the terminal tripartite project review confirmed the soundness of the technologies and the successful completion of the project.

43. The Special Unit for South-South Cooperation provided support to a joint UNDP-United Nations Conference on Trade and Development (UNCTAD) study on the promotion of Asian foreign direct investment in Africa. The comprehensive study, *Asian foreign direct investment: Towards a new era of cooperation among developing countries*, was completed in late 2006. It provides an overview of existing financial flows from Asia and includes an analysis of five recipient countries in Africa: Botswana, Ghana, Madagascar, Mozambique and the United Republic of Tanzania.

44. The South-South Regional Unit-Bangkok and the UNDP country office in Afghanistan are executing an umbrella programme for post-conflict recovery through South-South cooperation in Afghanistan. The programme focuses on two areas of intervention: private-sector development and strengthening the civil service. Cooperation for private-sector development involves Afghanistan and Malaysia, using the fruit drying industry as a way to expand Afghan exports and improve livelihoods for small-scale producers and sellers. People in the Afghan community of Dulana have established a facility for solar drying, preparation, processing and storage of seasonal fruit for export. Three people were trained in Malaysia in the construction, operation and maintenance of the facility. A manual on standard operating procedures was developed with the Malaysian team.

45. The component on capacity development in public administration will be implemented in 2007 with the deployment of 60 advisers to work within the Afghan public service for up to one year. Thirty of these advisers will be drawn from the Indian Civil Services and will be practising public managers. The advisers, who will be selected through a recruitment process in accordance with UNDP rules and regulations, will be assigned to different ministries in Kabul.

Creation of a system for South-South private-sector engagement and transactions

46. The Special Unit for South-South Cooperation has created a number of institutional mechanisms to reinforce its catalytic role in bringing together various partners to implement internationally agreed development goals on a South-South and a triangular basis.

47. The South-South GATE System is an umbrella initiative intended to facilitate many of the platform two projects. The initiative seeks to develop a system to transfer technology among developing countries and mobilize resources for underfunded development projects and infrastructure development. The objective is to develop a transaction facility to provide programme countries with easier access to information, skills, technologies, financing and other assets necessary for social and economic development. The system draws on the experience of China in the innovative exchange of assets and technology, as well as on the 'social stock exchange' system of Brazil. Civil society organizations, SMEs and public entities in the South will be the main users of the facility. The South-South technology exchange will work through a technology exchange market rather than through a one-way 'technology transfer'.

48. In May 2006, the Global South Innovation and Capital Market Summit and Expo were held in Shanghai in partnership with the Shanghai United Assets and Equity Exchange. A number of entities collaborated on the Summit and Expo: the G-77 and China; UNCTAD; the United Nations Industrial Development Organization (UNIDO); and the Government of China – specifically, the Ministry of Commerce – the Ministry of Science and Technology, and the People's Government of Shanghai Municipality. The Special Unit for South-South Cooperation organized the symposium and expo and launched the South-South GATE System in Shanghai.

49. When fully operational, the South-South GATE System will provide an online as well as a physical transaction mechanism. Intermediary organizations, such as Technonet ASIA, Technonet AFRICA and the Islamic Chamber of Commerce and Industry, are expected to act as facilitators in encouraging member organizations to participate in the system. Financing mechanisms will also be explored to ensure that transactions materialize. The initiative is in its beginning stages, and it may be some time before the system becomes operational to the point where matches are made.

50. The creative economy in Southern countries is increasingly recognized as a source of wealth and employment generation and a means of alleviating poverty and diversifying exports. The Special Unit for South-South Cooperation, in cooperation with the Shanghai Creative Industries Association, organized the Global South-South Creative Economy Symposium in December 2005. Participants discussed the promotion of 'creative industries', which range from music recordings, cinema and television to fabric design, fashion and software.

51. In 2006, a partnership was established between the Ministry of Culture in Brazil and the British Council to create an International Centre on Creative Industries to be based in Brazil. The initiative is supported by a number of United Nations organizations, including the International Labour Organization, the International Trade Centre, UNCTAD/World Trade Organization, UNDP, UNESCO and the World Intellectual Property Organization (WIPO).

52. Other activities organized by the Special Unit for South-South Cooperation in 2006 included a session on the creative economy during the 10th World Summit of Young Entrepreneurs (Sao Paulo, Brazil, March), in partnership with the World Trade University; the Creative Industries Forum (Kingston, Jamaica, June), in partnership with the International Reggae Day festival; the International Conference

on Creative Economies for Development (Kigali, Rwanda, August), in partnership with the World Culture Open; and the Creative Economy for Development International Forum (Rio de Janeiro, 26 November-1 December), in partnership with the World Cultural Forum.

53. The Special Unit for South-South Cooperation also sponsored a two-week exchange visit to Rio de Janeiro for capacity-building on income generation from the creative economy, which involved NGOs from Brazil, Kenya and Rwanda.

54. To accomplish those activities, the Special Unit for South-South Cooperation supports a number of existing country initiatives, such as the International Centre on Creative Industries in Brazil, the Shanghai Creative Industries Association, and the Africa-based knowledge-sharing network of Southern creative industries. It will produce the *Creative economy report* in collaboration with UNCTAD, UNESCO and WIPO in 2007.

55. The Special Unit for South-South Cooperation has worked with partners to create the Global Science Corps (GSC), a project under the Millennium Science Initiative of the Institute for Advanced Study in Princeton, New Jersey. The goal is to strengthen human and institutional capacity in science and technology and improve the innovative capacity of the private sector in developing countries through collaborative research and training. Under this initiative, a GSC Workshop was held in Nairobi, Kenya in January 2006 to discuss the development of a South-South programme under which African scientists living abroad would be placed in their home countries or elsewhere in Africa. To carry out this work, a governing structure was created for the GSC, and funds were mobilized by the executing agency to send four GSC fellows to Africa for a one-year term in 2007. In addition to the Millennium Science Initiative, partners include the Academy of Sciences for the Developing World (TWAS), the African Academy of Sciences and ECA, with the Institute of International Education serving in an advisory capacity.

C. Platform three: sharing of Southern development knowledge and solutions through three enablers

A global hub for networking with and among Southern centres of excellence (institutional linkages established for the sharing and exchange of knowledge)

56. Efforts to measure progress in meeting the MDGs create a need for increased sophistication and capacity for statistical data-gathering and analysis in the South. In response, the Special Unit for South-South Cooperation has provided support to the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) to improve the statistical capacity of developing countries in Asia.

57. The programme focuses on enhancing national capacity to produce, analyse and use statistical data in line with the Marrakech Action Plan for Statistics and its call for all low-income countries to have a national strategy for the development of statistics by 2006. In 2005-2006, four subregional workshops were held in the Asian region, and draft national action plans or national strategies for the development of national statistical systems were produced. The workshops were organized and co-sponsored by the UNESCAP Statistics Division in cooperation with the Partnership in Statistics for Development in the 21st Century (PARIS21) and funded by the Japan Human Resources Development Fund. Participants included senior data producers and users.

58. The first workshop was the PARIS21/UNESCAP Subregional Workshop on National Strategies for the Development of Statistics in South Asia, held in

Sri\ Lanka from 13-15 December 2005. This was followed by three High-level Forums on Strategic Planning in Statistics: for Central Asian countries from 17 to 19 May 2006 in Bishkek, Kyrgyz Republic; for Southeast Asian countries from 6 to 8 June in Bangkok, Thailand; and for East and Northeast Asian countries from 9 to 11 October in Ulaanbaatar, Mongolia. UNESCAP is maintaining a web site for these forums at http://www.unescap.org/stat/meet/nsds4/index.asp. PARIS21 is hosted by a small secretariat at OECD in Paris.

A uniform roster system for Southern experts and expertise

59. In order to tap the increasing sophistication of the South in terms of its expertise and the rise of its centres of excellence, the Special Unit for South-South Cooperation has continuously upgraded its WIDE system. This Internet-based system provides services to various partners in the United Nations system and beyond. A new roster system was designed for use primarily by members of the United Nations system, responding to the need for experts across a wide range of areas. The purpose of the rosters is to increase and improve the use of Southern expertise in development projects and to strengthen the capacity of Southern countries to offer expertise required for South-South cooperation initiatives.

60. In 2006, the Special Unit for South-South Cooperation held a WIDE roster users' workshop in Dakar, Senegal, sponsored by BDP. The participants shared and evaluated their experiences in building rosters within UNDP and established integrated management for WIDE. During 2006, nearly 40 rosters were built by partners, using the updated platform, and training sessions were held on the use of WIDE at the UNDP regional centres in Bangkok and Sri Lanka. The active rosters are useful for managers at United Nations Headquarters and country offices. The new version of WIDE was released in December 2006.

An interactive system for generating and disseminating best practices and proven development solutions

61. Four workshops were held in connection with the series *Sharing Innovative Experiences*, and four volumes of the publication were prepared. In 2005, 25 countries presented case studies on providing safe drinking water in the South at a workshop at TWAS in Trieste, Italy. Later in the year, a workshop on mitigation of natural disasters for SIDS was held in Mauritius in partnership with the UNDP country office, the University of Mauritius, the United Nations University (UNU) and TWNSO. Experiences from 25 SIDS were selected and the case studies were prepared for volume 12 of the series.

62. Volume 13 focuses on experiences in knowledge sharing in the South, which were presented at a workshop at TWAS/TWNSO in May 2006. Later in the year, a workshop on capacity-building for sustainable development in the South was held in partnership with TWNSO and UNU. Those case studies will serve as the basis for volume 14 of *Sharing Innovative Experiences*. The publication is sent to over 4,000 recipients throughout the South to promote the sharing of Southern solutions to Southern challenges. The volumes are also available on the web site at http://www.undp.org/ssc.

63. TWNSO (recently transformed into COSTIS) will, in 2007, partner with the Special Unit on a workshop on management of mega cities, which will contribute to volume 15 of *Sharing Innovative Experiences*.

64. The exchange of knowledge and information among countries of the South, especially in the areas of statistics and innovative practices, has been valuable to the

participants and others who are connected to Internet and web resources. WIDE can also provide a channel for individuals and institutions from the South to present themselves and their expertise to United Nations organizations and other partners.

D. Other emerging priorities: disaster risk management and recovery

Asian tsunami response

65. Under the third cooperation framework, the Special Unit for South-South Cooperation promoted South-South initiatives for the prevention of, and recovery from, natural disasters. Since the 2004 tsunami disaster, it has made available to developing countries the South-South Grants Facility (SSGF), which provides grants from Southern donor countries for the rehabilitation and reconstruction of affected countries in the region. In partnership with the Global Environment Facility (GEF) Small Grants Programme and the United Nations Office for Project Services, the Special Unit channels these grants through local NGOs and civil society organizations. The programme involves the countries most affected by the tsunami (India, Indonesia, Maldives, Sri Lanka and Thailand), with all allocations decided on and committed by the local teams. The GEF Small Grants Programme serves as secretariat for the programme.

66. The SSGF targets tsunami recovery, HIV/AIDS and other programmes suited to small-scale local action. For tsunami recovery, contributions of over $3.5 million were provided by 11 Southern states: Algeria, Benin, Brazil, China, Comoros, Egypt, Jamaica, Samoa, Trinidad and Tobago, Tuvalu and Venezuela. The grants are used directly for assistance to those affected by the tsunami, while administrative costs are covered by Special Unit regular resources. Two programmes were developed: one for livelihood rehabilitation, mainly for female entrepreneurs to start small businesses, and the other to rebuild community infrastructure, such as schools and community spaces. A review and planning workshop was held in Bangkok in May 2006 to evaluate the recovery programme. Approximately $780,000 was disbursed from the SSGF in 2006.

67. The Special Unit for South-South Cooperation manages the India-Brazil-South Africa (IBSA) Facility for Poverty and Hunger Alleviation, another effective mechanism for South-South cooperation. At a meeting in Brasilia in September 2006, the Heads of State of those three countries committed themselves to creating a trust fund as their contribution to reducing poverty in the poorest countries. The IBSA Facility is being used for the implementation of an agriculture and cattle-farming project in Guinea-Bissau and a waste management project in Haiti. Both the SSGF and the IBSA Facility reflect the spirit of South-South cooperation, where countries of the South contribute directly to poverty alleviation in other developing countries. One notable achievement of the Special Unit during this reporting period was the establishment of the new funding mechanisms described above.

Disaster risk management at the community level

68. The Global Facility for Disaster Risk Management was established to build capacity in disaster risk management at the community level, establishing strong partnerships between the public and private sectors, civil society organizations and multilateral organizations. The Global Facility, based at the UNDP Regional Centre in Bangkok, is a UNESCAP project, with the Special Unit for South-South Cooperation serving in an advisory capacity. Indonesia has volunteered to serve as the secretariat for the Global Facility, which will be launched in 2007. Funds for the

project were contributed by Algeria through the United Nations Fund for South-South Cooperation.

69. In 2006, the Special Unit sponsored a training-of-trainers course on earthquake and tsunami vulnerability reduction for six participants from the Maldives, the Philippines and Sri Lanka. The training, held in Bangkok from 24 October to 6 November, was organized with the Asian Disaster Preparedness Center.

70. The Special Unit published a manual titled *Integrating Disaster Risk Management in Local Governance*, which is based on experiences in the Philippines. The publication represents a collective effort of the government and NGOs at the local and national levels. Half of the manuals will be distributed in the Philippines; the rest will be sent to requesting organizations in the region, the UNDP Regional Centre in Johannesburg and the Special Unit office in New York. Electronic versions were sent to the Community Risk Assessment Network of the ProVention Consortium, a partnership of organizations such as the International Federation of Red Cross and Red Crescent Societies, the International Strategy for Disaster Reduction and the World Bank.

71. The *Handbook on Good Building Design and Construction* was prepared in Indonesia and is being published by the Special Unit, in collaboration with the International Strategy for Disaster Reduction, in Bahasa Indonesia and in English. It is being used as a guide for designing and constructing buildings that will be resilient against earthquakes, typhoons and flooding. The English version will be widely distributed internationally.

72. In the Maldives, 13 islands in two atolls developed island disaster preparedness plans and conducted simulation exercises. The Special Unit for South-South Cooperation provided 10 advisers to the country office and supported a training programme for government officials. In the Philippines, a hazard mapping and assessment exercise was conducted for effective community-based disaster risk management, which includes a community-based tsunami early warning system. The Special Unit assisted in coordination, monitoring and funding. In Indonesia, a public awareness campaign was launched in partnership with Deutsche Post World Net as part of the effort towards public-private partnerships in disaster preparedness.

73. In addition to partners already mentioned, the Global Facility for Disaster Risk Management benefits from collaboration with the UNDP Bureau for Crisis Prevention and Recovery, the Office for the Coordination of Humanitarian Affairs and the World Bank. The South-South Grants Facility and the IBSA Facility, initiated by countries in the South and funded exclusively by Southern countries, exemplify the spirit of South-South cooperation. The beneficiaries of the assistance are people who have been devastated by disaster and other debilitating economic situations.

Proposals for future collaboration

74. Other partnership proposals to be implemented in the longer term include an Africa-Asia development university network and a project to build capacity for integrated agriculture in Africa through South-South cooperation, using Songhai Centre as a model.

IV. Resources

75. The total regular resources allocated to the Special Unit for South-South Cooperation amount to $3.5 million annually. Taking into consideration the carry-over from previous years, the total available resources for the period 2005-2007 amount to $14.586 million. A total of $4.991 million was disbursed during 2005. The most recent figures available indicate that $5.424 million were disbursed in 2006, but this figure may increase slightly once the 2006 accounts are closed on 31 March 2007. In any event, the remaining $4.171 million are fully programmed for implementation in 2007.

76. Other resources mobilized for South-South cooperation in 2005 and 2006 included $1.7 million from China through the United Nations Fund for South-South Cooperation and $3.5 million from other developing countries to support the tsunami-affected countries. The list of contributions to South-South tsunami recovery and reconstruction efforts is provided in table 1. In 2006, a total of $769,493 was disbursed to tsunami relief projects in the affected countries.

Table 1. Contributions from developing countries to the tsunami-affected countries through the United Nations Fund for South-South Cooperation in 2005 (in dollars)

Donor	Amount
Algeria	2,000,000
Benin	184,563
Brazil	214,978
China	1,000,000
Comoros	25,610
Egypt	2,333
Jamaica	3,200
Samoa	38,314
Trinidad and Tobago	30,883
Tuvalu	10,000
Venezuela (country office staff)	564
Total	**3,510,445**

77. The Special Unit for South-South Cooperation was entrusted with the management of the IBSA Facility for Poverty and Hunger Alleviation. The Facility was implemented at the first IBSA Summit on 13 September 2006 in Brasilia, Brazil. The President of Brazil, the President of South Africa and the Prime Minister of India each confirmed his intention of allocating at least $1 million a year to the Facility. The Heads of State and Government emphasized that the IBSA Facility Fund constitutes a unique, pioneering initiative of South-South cooperation and expressed their satisfaction with the initiatives in Guinea-Bissau and Haiti and with

the support provided by the Special Unit. In 2006, the Facility disbursed $356,819 for the projects in Guinea-Bissau and Haiti. The Special Unit is examining new strategies for accelerating the formulation and implementation of projects to be proposed to the IBSA Board of Directors.

78. Management of the IBSA Facility builds on the previous experience of the Special Unit for South-South Cooperation in managing the Perez-Guerrero Trust Fund on behalf of the G-77. During 2005, the Committee of Experts of the trust fund approved $315,000 for the funding of 10 projects; and in 2006 it approved $315,000 for the funding of 11 projects. For 2007, the Committee of Experts has increased the pledged financial support to $347,000 for 11 projects.

79. The cost-sharing allocation from Japan amounted to $3.101 million for new programmes in 2005, 2006 and 2007, $1.877 million of which was allocated in 2006. South Africa also provided $945,000 in cost-sharing funds for Technonet Africa.

80. Table 2 summarizes the total funds allocated to programmes of the Special Unit for 2005-2007. The total of $27.875 million is slightly higher than the estimate of $27.5 million for the three-year period budgeted in the third cooperation framework.

Table 2. Summary of resources managed by the Special Unit for South-South Cooperation, 2005-2007 (in thousands of dollars)

Source	Amount
Regular	14,586
United Nations Fund for South-South Cooperation – China	1,700
Developing-country contributions for tsunami recovery and reconstruction	3,510
IBSA Facility for Poverty and Hunger Alleviation	3,056
Perez-Guerrero Trust Fund	977
Cost-sharing – Japan	3,101
Cost sharing – South Africa	945
Total	**27,875**

V. Conclusion, lessons learned and the way forward

81. Notwithstanding the ambitious vision behind the three platforms of the third cooperation framework for South-South cooperation (2005-2007), the Special Unit for South-South Cooperation has succeeded in the first two years in preparing a solid foundation for its implementation. Lessons learned during this period are also

providing direction for the fourth cooperation framework, which will be implemented in accordance with the South-South cooperation outcomes in the UNDP strategic plan, 2008-2011. These include:

Raising awareness and building capacity to mainstream South-South approaches

82. South-South approaches need to be mainstreamed in national development plans. Where South-South initiatives continue to be ad hoc, it will be necessary to formulate policies and strategies backed by effective implementation mechanisms. The huge potential of South-South cooperation can be harnessed by demonstrating how it benefits people in terms of trade, poverty alleviation and the achievement of the MDGs by 2015.

83. The network of focal points for South-South cooperation needs to be further revitalized and integrated with policy networks and development-related actions at the national, subregional, regional, interregional and global levels.

Creation of international coalitions of action

84. It is essential that the Special Unit for South-South Cooperation build on the existing South-South programmes of its partners (such as those of JICA, UNCTAD, UNESCAP, UNESCO and UNIDO) and provide a South-South arm for implementing them. Combined efforts and pooled resources with multilateral and bilateral partners and the private sector can leverage the limited human and financial resources of the Special Unit to great effect.

85. The process for building partnerships that has been developed can be used in systematically strengthening South-South cooperation arrangements. The assistance from Technonet Asia in the creation of Technonet Africa is a case in point.

Drawing on the strengths and development experiences of selected partners to build capacity in others

86. Successful knowledge-sharing builds self-reliance within developing countries and reduces dependence on expensive outside expertise. The most valuable South-South capacity-building programmes are the ones that cover practical subjects and are given by excellent trainers. It is important to identify proven development policies and practices and to share them widely in efforts to meet the MDGs and other international development goals.

Improving aid effectiveness through triangular partnerships

87. Triangular partnerships will still be required to improve aid effectiveness in efforts to meet the MDGs and other national and international development goals. Triangular arrangements have traditionally been an important source of dynamism for the Special Unit, especially for implementing non-core projects.

88. The new infusion of capital from developing countries is supplementing traditional sources of support for South-South cooperation. Brazil, China, India and South Africa – and the 11 countries that contributed to the tsunami relief fund – are putting the concept of South-South cooperation to work. This should be widely publicized for emulation by the G-77 Member States and other intergovernmental and civil society organizations.

Fostering the growth of private-sector development

89. Public-private partnerships can benefit from focusing on industries in which developing countries have a clear comparative advantage, such as creative industries that build on traditional knowledge and culture. In countries where the private sector

is not yet mature, very basic support may be needed to provide an enabling environment for entrepreneurs, small businesses and banks.

90. In sum, the ultimate goal of the Special Unit for South-South Cooperation is to provide the global South and the United Nations system with three interactive, mutually reinforcing platforms. Each platform, in turn, has three support facilities.

91. *Platform one* will serve as a facility for catalysing joint research among United Nations organizations and other interested partners on issues of common concern to developing countries. Based on the research, the Special Unit will regularly publish findings in the *South Report*, as called for by the South Summit in 2005. The publication will feature cutting-edge thinking on policy options to advance South-South cooperation by government, civil society, academia and the private sector. Further to the research work, the Special Unit will provide a venue for focused policy dialogue aimed at exploring common development solutions. This will culminate in the establishment of the Global South Development Forum as an anchor for South-South policy dialogue.

92. *Platform two* will serve as a facility for building the capacity of SMEs, especially in LDCs, LLDCs and SIDS. It will foster business-to-business linkages in the South in order to harness the growing entrepreneurial capacity of the South in efforts to create jobs, reduce poverty and meet other MDGs. In addition, it will facilitate South-South transactions relating to technology and other assets through the South-South GATE System.

93. *Platform three* will provide a roster of Southern experts, enabling various organizations of the United Nations system to draw on the expertise in the South in their policy and programming work. It will facilitate the sharing of best practices and catalyse networking among Southern centres of excellence.

94. The Special Unit seeks to achieve the above goals through its ongoing activities in 2007 and in the course of implementing the fourth cooperation framework (2008-2010).